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Agreement Near On New Procedures For Sponsored Research

A procedure has been established for presenting the suggestions of the colleges and universities to the Bureau of the Budget on the draft dated April 22, 1957, of the STATEMENT OF PRINCIPLES FOR DETERMINING THE ALLOWABLE COSTS OF RESEARCH AND DEVELOPMENT PERFORMED BY COLLEGES AND UNIVERSITIES FOR THE FEDERAL GOVERNMENT prepared by the Bureau for consideration by educational institutions and Federal agencies.

Representatives will be appointed by the chairmen of the following three groups to constitute a joint committee of three to five members who will assemble and coordinate the suggestions and adopted recommendations of the national committees:

National Federation of College and University Business Officers -- Standing Committee on Government Relations, H. R. Patton, Chairman

Engineering Colleges Research Council -- Committee on Relations with the Federal Government, H. R. Warfield, Chairman

American Council on Education -- Special Committee on Sponsored Research, J. R. Killian, Jr., Chairman

After the work of the joint committee has been completed, the consolidated proposals will be returned to the three national committees for their approval and acceptance and then presented as the unified position of the colleges and universities to the Bureau of the Budget by the Special Committee on Sponsored Research of the American Council on Education.

Copies of the STATEMENT OF PRINCIPLES FOR DETERMINING THE ALLOWABLE COSTS OF RESEARCH AND DEVELOPMENT PERFORMED BY COLLEGES AND UNIVERSITIES FOR THE FEDERAL GOVERNMENT can be obtained from the following:

H. R. Patton, Controller
Carnegie Institute of Technology
Pittsburgh, Pennsylvania

H. Ridgely Warfield, Director
Institute for Cooperative Research
The Johns Hopkins University
Baltimore, Maryland

Raymond F. Howes, Staff Associate
American Council on Education
1785 Massachusetts Ave., N.W.
Washington 6, D. C.

Institutions desiring to present comments on this document to any of the three committees listed above should act promptly, since the assistant director of the Bureau of the Budget, Percy Rappaport, has asked these groups to submit statements by July 1 "so that they may be given careful consideration and a generally acceptable statement of principles released within a reasonable time thereafter." In a letter to Dr. Killian dated April 23 submitting the statement of principles for consideration, Mr. Rappaport presented the following explanation:

"As you know, the Bureau of the Budget has been working with other agencies of the Government in the development of a statement of principles to govern relations between Federal agencies and educational institutions in the procurement or support of research and development, including matters relating to the determination of indirect costs. A draft set of principles prepared by a working committee is being transmitted at this time to both university representatives and Federal agencies for review and comment.

"These principles have been drafted in keeping with the need for Federal policies and procedures that would promote the attainment of national research objectives while safeguarding the strength and independence of the Nation's institutions of higher learning. As the level of Government-sponsored research has increased in recent years, there has been growing concern among Federal agencies with the mutual problems encountered in Government-university relations. One problem of immediate concern is the need for a common basis to be used by all Federal agencies in determining the costs of research and development performed by colleges and universities for or under the sponsorship of the Federal Government. These principles have been designed to meet this problem.

"The draft statement of principles takes into account the character of the growth that has taken place in the last 12 years: the substantial increase in funds for research and development; the spread of research support to more than 300 institutions of higher learning; the emergence of new agencies in the research field; and the establishment of a whole range of contractual and administrative arrangements which could not have been foreseen in the middle 1940's. These principles also take into account the extensive experience that has been gained over the past ten years by the major research agencies whose representatives, together with those of the three central fiscal agencies of the Government, constitute the special interagency committee assigned to study this problem.

"In drafting these principles it was recognized that each college and university has its own combination of staff, facilities, and experience to conduct research in a manner consonant with its academic programs and institutional objectives. Every effort has been made to develop a document sufficiently flexible to meet the varied situations encountered in the administration of present day large and diversified programs of Government-sponsored research. It has been necessary to design principles which are suitable for application to all educational institutions, regardless of size or structure; to all levels and types of Government expenditures for research, from the modest grant to the multi-million dollar development contract; and to all variations in research environment, from the small project fully integrated with academic activity to the large self-sustaining project performed off campus. It is important that the proposed principles be considered in the light of these many varying factors."

This effort to reach a satisfactory procedure for determining equitable payments by Federal agencies for sponsored research in colleges and universities will, if successful, be the culmination of several years of work by a number of groups both inside and outside the Government. Adequate consideration of every facet of the problem within the next several weeks is therefore of very great importance.

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